

**FY 2021-2022 Virginia Beach Budget
Response to Council Questions**

Question Number: 65

Question: What is the annual depreciation of your physical plant?

Date Requested: 4/14/21

Requested By: Councilmember Moss

Department: Public Utilities

Response: Based on the FY 2020 Annual Financial Report, the depreciation for the Water and Sewer Fund was \$27,979,427. The five-year average is \$27,711,811.

Exhibit 19

**CITY OF VIRGINIA BEACH, VIRGINIA
WATER AND SEWER ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

<u>OPERATING REVENUES</u>	
Service Charges	\$ 76,803,078
Sale of Water	49,651,688
Tap Fees	462,389
Fire Hydrant Rental	3,143
Navy Wheelage Charges	129,109
Interfund Services Provided	3,225,481
Miscellaneous	233,870
Total Operating Revenues	<u>130,508,758</u>
<u>OPERATING EXPENSES</u>	
Cost of Goods Sold - Water Purchases	29,914,235
Personal Services	29,165,491
Contractual Services	7,777,835
Internal Services	2,967,902
Other Charges	17,256,573
CIP Annual Expenditures	957,277
Depreciation	<u>27,979,427</u>
Total Operating Expenses	<u>116,018,740</u>

	2016	2017	2018	2019	2020	5 Yr. Avg
Depreciation	\$ 25,954,884	\$ 27,552,400	\$ 29,253,509	\$ 27,818,835	\$ 27,979,427	\$ 27,711,811

Source: Annual Financial Report for referenced year.